

**EFFECT OF RETRENCHMENT PROCESS ON JOB SECURITY OF RETAINED
AND RETRENCHED STAFFS: A CASE OF ACTION-AID-KENYA**

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DECLARATION

This project is my original work and has not been presented to any other university or academic institution for the purpose of awarding a degree to the best of my knowledge

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BML/08/00180/02/2014

This project has been submitted for examination with my approval as the University supervisor.

Signature:.....**Date**.....

.....

DEDICATION

This project is dedicated to my family, my husband and children. Your encouragement during my journey was worth more than I can express in writing. Your inspiration was my driving force and I sincerely thank you all for the support each one of you have accorded me each and every step of the way in my studies. I love you all and may the good Lord bless you abundantly.

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ABSTRACT

Staff retrenchment has been witnessed in many organizations in Kenya. The ministry of labour has laid out proper procedure for staff retrenchment. This study aimed to investigate effect of employment process on job security among Action-Aid staffs in Kenya. The specific objectives were: effect of administrative procedures, support programs, communication channels and selection criteria on job security among survivors and retrenches from Action-Aid. The data was collected from Action-Aid staffs that were present during retrenched that took place 2012/2013. Hence, target population included retrenches and survivors. An online survey was created and respondents were reached out through sending survey link on their emails. However, the researcher first called each and explained purpose for study to obtain consent. The study adopted purposive and convenient sampling to select respondents. Using Yamane (1967) formula for determining sample size, 150 were sampled from population of 240 individuals. Quantitative data was entered to SPSS version 20 and analyzed to give descriptive statistics such as frequencies, percentages, means and graphs and inferential statistics such as Chi-Square test for dependence and pearson correlations analysis to come up with conclusions and recommendations for the study. The findings indicated that a significant relationship exists between administration procedures used and job satisfaction $\chi^2(21, N=60) = 145, p = .000 < 0.05$, support programs and job satisfaction $\chi^2(21, N=60) = 160, p = .000 < 0.05$, selection criteria and job satisfaction $\chi^2(18, N=60) = 90, p = .000 < 0.05$ and communication channels and job satisfaction $\chi^2(21, N=60) = 180, p = .000 < 0.05$. The study concludes that to improve job satisfaction, remove uncertainties during and after retrenchment exercise and to ensure job security is maintained during and after the retrenchment process, organizations need to ensure proper administrative procedures, support programs, proper selection criteria and open communication channels $\chi^2(63, N=60) = 420, p = .000 < 0.05$. The study recommends involvement of staffs during retrenchment process and early communication to avoid rumours. Sufficient notice should be granted to all outgoing staffs, compensation amount explained prior retrenchment exercise, certificate of service and recommendations letters issued to all retrenches and counselors involved during retrenchment exercise. Support programs such as financial training, counseling programs and career plan seminars should be offered. This study does not recommend any selection criteria. The study recommends clear communication on the purpose of retrenchment and open communications with feedback be allowed during retrenchment season. The study recommends communication following the order of face to face meeting, conference/skype calls, emails & memos.

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ABBREVIATIONS AND ACRONYMS

| | |
|-------------|--|
| HIV | Human Immunodeficiency Virus Infection |
| AIDS | Acquired Immune Deficiency Syndrome |
| TB | Tuberculosis |
| KPMG | Klynveld Peat Marwick Goerdeler |
| NGO | Non-Governmental University |
| HR | Human Resource |
| LIFO | Last in First out |
| FIFO | First in First Out |

OPERATIONAL DEFINITION OF TERMS

Retrenchment

This study adopts this term to mean Forced lay-off of employees by an organization

Administrative Procedures

This study adopts Administrative Procedures to mean a set out guidelines and procedures that an organization should follow when carrying out retrenchment

Job security

This study adopts job security to mean assurance (or lack of it) that an employee has about the continuity of gainful employment for his or her work life

Procedure

This study adopts procedure to mean predetermined guidelines on how certain action is taken

CHAPTER ONE

INTRODUCTION

1.0 Introduction

This chapter presents the background of the study, statement of the problem, the purpose of the study, the objectives of the study, research questions, and significance of the study, scope of the study and the limitations of the study.

1.1 Background of the Study

As organizations venture in new markets or pursue improved performance, the possible strategies taken is to review their business plan as well as their overall process. This means that such organizations must be restructured and reorganized to perfectly fit in the new strategy. For some organizations, to fit perfectly in the new strategy, ownership may change and in most cases some job losses occur. In this case job losses occur due to several factors that relate to change: abolition of office or job enlargement. Despite the fact that some staffs have to lose their jobs, International Finance Corporation (2005) provides that retrenchment need to be managed effectively so that negative effect are minimized. In this case, proper procedure and processes of retrenchment must be implemented effectively to manage the change for both those to be retrenched and retained.

Even though improved performance is among the factors that make it unbearable for organization to continue having some staff, there are other several factors that may result to staff retrenchment. Huka (2003) explain that as a result to continued economic decline, in most cases profit making organization find it difficult to maintain a large pool of workforce as poor economic performance need to be controlled through minimizing costs if the firm must remain competitive. According to Huka (2003) staff retrenchment, reduced hiring, and reviewing salary downward are common strategies adopted by organizations.

According to Armstrong and Murlis (1998) retrenchment decision is one of the cost consuming processes to most ethical organizations. In most cases, staff presumed to be retrenched must be compensated as trade unions become greatly concerned with both personal and social impact of individuals retrenched. Moreover, retrenchment best explained in relation to human accounting refers to redundancies of one valuable resource and transferring it to a community pool in which other employers can withdraw and utilize such resource. However, with this understanding it's worth noting that before such resource is withdrawn compensation need to be made by former user.

A study done in Australia by the Australian Bureau of Statistics (2002) indicated that retrenchment was on rise from 6% to 7% within 3 years. The report continued to show that out of the number retrenched, 17% did not secure another job increasing people unemployed to 29%. Among the mentioned reason for retrenchment was no enough work, business closure or change in management. Their result also indicated that 25% of those retrenched were given a prior notice of less than one day and 77% of less than one month. Australian Bureau of statistics (2014) report shows that the unemployment rate has continually accelerated to 6.1% from 2013 with the number of individuals looking for work being on rise. Unemployment rate was attributed by retrenchments as over 2 million people lost their job in 2013, 60% of which left the job voluntary and 19% as results of retrenchment. Since 2007 the retrenchment rate has shown persistent rise from a low of 2.0% to 3.1% in 2013. The reasons for these retrenchments remain economic downturns such as global financial crisis, business closure and academic levels reasons.

According to Australian government, retrenchment is inevitable and thus employers must follow registered procedures, and make relevant consultation before retrenching employees. According to Fair Work Act (2009) employees should be consulted and notified about major taking place and who is likely to be affected, discussing with them the necessary steps that would be followed as in order to minimize negative effect of the staff to be retrenched. It's also most important to consider ideas and suggestion from staff before implementing the plans. According to Australian law staff to be retrenched needs to be notified 6 month earlier. However, Australian Bureau of statistics (2014) report shown that this is not followed.

In Africa the problem of retrenchment has continued over the years even when trade unions coming up with procedures on how it should be conducted. According to SNSRI (2010), most African economies are on down turn as a result of problem associated with chronic unemployment, electricity supply problems, and shortages of skilled labor, deteriorating infrastructure, political instability and pandemics of HIV/AIDS and TB which affected expansion of these economies. As a result, most organizations have closed while others financial performance shrinking causing retrenchment. In South Africa in the year 2009 unemployment rose from 23.1% to 25% due to un-procedural retrenchment. According to SNSRI (2010) report the numbers of people who had been and were going to be retrenched continued to rise among contract workers. An example is mining organizations Harmony Gold retrenched 9,478 contract workers between late 2007 and mid-2008 and North West who laid 25,000 contract workers un-procedurally. Some of these retrenchments were against Labour law act 66 of 1989 section 189A. Another survey by KPMG (2008) indicated that more than 120 South Africa organizations had planned to retrench their staff within a period without necessary consultation with from labour unions. Another survey by Statistics South Africa (2010) indicated that the percentage of people doing business in South Africa due to lack of alternative sources of income was on rise from 60.2% in 2001 to 68.6% in 2009, consequently those who started business as a result of retrenchment comprised of 3.8% in 2009. It was also identified those retrenched, received their retrenchment unlawfully.

Studies done in Kenya on effect of retrenchment on service delivery among civil servant (Okibo, 2012), show that within 11 years government managed to reduce number of civil servants from 272,000 to 191,000 which shows a yearly retrenchment of more than 7300 civil servant per year. Some of the reasons explained by government to retrench its staff were to cut down expenditure to ease the burden of taxpayers and thus become efficient in its service delivery. This type of thinking was subject to serious critics as reduced number of civil servants served increasing population thwarting service delivery. The study established that during retrenchment that caused scrubbing of some important departments no managerial personnel's were consulted and information was not effectively communicated to the staff to be retrenched. No proper procedure was laid on

how to carry out retrenchment and as a result more workload was left for the survivors. The results also indicated that due to improperly managed procedures survivors were left feeling insecure and this affected their performance.

Nyaberi and Kiriago (2013) in their analysis on the post retrenchment life of the surviving staff at Telkom Kenya identified that indeed, there existed a negative effect on staff retrenchment and employees morale. Most employees become traumatized at the workplace as they feel their job security being at risk. Their study recommended that organization should ensure effective retrenchment policies are in place, internalized and disseminated clearly to employees to ensure minimal effect on employees when it occurs.

As demonstrated above, retrenchment is a global problem as business swings occur everywhere in the world. In some cases, retrenchment is justified while in some cases it's not justified however whether justified or not proper procedures and processes need to be implemented in order to ensure both the retrenched staff as well as survivors remain with minimal effect. It can be well identified that most studies done in Kenya (Nyaberi and Kiriago, 2013 and Okibo, 2012) in relation to retrenchment focused on effect of employees' retrenchment on staff morale, job security and service delivery. Few of these scholars evaluated the process of staff retrenchment from the point of decision making to the implementation. This study seeks to fill this study gap by investigating effect of retrenchment processes on job security of retrenched and retained employees in Kenya.

1.2 Statement of the Problem

Many Kenyans are retrenched every year while others are forced to work under stressed conditions as a way of forcing them resign for their job. For some, coping with such organization decision can be very difficult while others seek a counselor to manage the decision. Recently, several NGO, governmental organizations and parastatals retrenched some of their staff as a way of helping organization fit for their strategic vision or reduce fixed costs. An example is East Africa Breweries that retrenched over 100 professional staff in 2014. Newspaper reports termed retrenchment as un-procedural since EABL corporate relation director reported retrenchment exercise without outlining professional

and legal procedures followed and post management practices (Mutegi, 2014). Based on the report, employees only received notification of their retrenchment and were not allowed to participate in the process. According to information disseminated by devolution and planning cabinet secretary March 2014, government was in a process of retrenching excess workforce in the civil service who were estimated at 100,000 public officers (Anyanzwa, 2014). From the speech it was clear that government followed some processes to retrench its public officer as several meeting were organized with stakeholders to ensure right procedure was followed. However despite of Secretary mentioning sh2 billion was allocated for the same, it was not clear how the retrenched staff as well as survivors would be helped to ensure minimal effect. Trade Unions in Kenya have continually drafted legal procedure in case of redundancy. The employment act, section 40 specifies that any employer contemplating redundancy should notify trade union and labor officer in charge of the area in which the employee is working, reason for redundancy and if permitted redundancy should not be less than a month prior to the date of termination. In a nut shell, there are procedures that should be followed when retrenching employees such that minimal negative effect is created by the process. This study holds that indeed, it's necessary for organizations to reduce the size of its workforce and that the retrenchment exercise should be guided by legal and professional procedure such that both the retrenched and survivors are affected minimally. Despite the acknowledgment there is scanty of local studies done to evaluate retrenchment procedures followed by NGO and profit making organizations in Kenya. The available studies generally describe the effect of retrenchment on service delivery, staff morale or job security without focusing on the effect of procedure and processes on job security and whether retrenchment procedures are followed. It is in this major gap that this study seeks to fill by determining the effect of retrenchment processes on job security of retrenched and retained employees at Action-Aid. ActionAid carried out retrenchment exercise in 2013 in which retrenches and survivors were left in confusion on how the process was conducted even though retrenches were compensated. On the available literature in Kenya there is scanty of studies on effect of retrenchment process on job security since most of the available studies were done on existing staff rather than retrenches.

1.3 Objectives of the Study

1.3.1 General Objectives

The main objective of this study is to investigate effect of retrenchment processes on job security of retrenched and retained employees with Action-Aid as case study.

1.3.2 Specific Objectives

- i. To evaluate effect of administrative procedures on job security among retrenches and survivors from Action-Aid
- ii. To assess effect of support programs on job security among survivors and retrenches from Action-Aid
- iii. To evaluate the effect of selection criteria procedures on job security among survivors and retrenches from Action-Aid
- iv. To assess effect of retrenchment communication channels on job security among survivors and retrenches from Action-Aid

1.4 Research Questions

- i. To what extent does application of administrative procedures affect job security among retrenches and survivors from Action-Aid?
- ii. What is the effect of support programs on job security among survivors and retrenches from Action-Aid?
- iii. How do retrenchment selection criteria effect on job security among survivors and retrenches from Action-Aid?
- iv. To what extent does retrenchment communication channels affect job security among survivors and retrenches from Action-Aid?

1.5 Justification of the Study

In order to gain competitive advantage, organizations must recruit and maintain the best talents while laying off any employee who doesn't fit in their strategic plan. In this sense, some staff lose their job through termination of employment by the employer. Whether

justified or not, both employees to be retrenched and those to be retained must remain unaffected by the process. This study accepts retrenchment as an inescapable reality but holds that right process and procedures must be followed to ensure the activity does not cause more harm than it should, to the affected and continuing staff. As such, it is important that this study evaluate procedure and processes followed by employers during retrenchment and how they affect job security among retrenched and retained staffs. The study therefore provides an insight on how consistently do organizations apply administrative procedures, which programs are used to ensure that retrenched staff remain unaffected and whether employees are involved in the processes.

This study helps employees know there are proper procedures that should be followed when retrenchment process is being implemented and violation of process would help them seek compensation for the violation of the process. To the human resource managers, the study helps them identify whether management has been following right procedures during past retrenchment exercise and thus improve their future procedures during retrenchment. The results help both human resource managers and employees understand what most organizations consider when selecting which employees to be retrenched. Those who have been using wrong criteria such as age, race or gender may borrow right procedures.

This study is important to the scholars as it enriches their knowledge on how effectively organizations adopt best practices and procedures in order to retrench their employees. In addition, the study is important to researchers who may desire to further develop the understanding on the subject. The study is important to government and trade unions helping understand whether organizations follow right procedures during staff retrenchment.

1.6 Scope of the Study

This study specifically focused on the effect of retrenchment processes on job security of retrenched and retained employees with Action-Aid as case study. Head office is in Nairobi and working in 14 counties. The study investigated administrative procedures,

supports programmes, selection criteria and communication channels used during retrenchment process and how it affects job security of retrenched and retained staffs. Data was collected from staffs that were present when a retrenchment took place at Action-Aid in 2012/2013. Target population includes 240 retrenched staffs were sampled conveniently. Data was collected using online programmed survey in the month of November 2016 and follow up between December and January 2017. A total of 60 respondents filled the online questionnaire that was used for analysis.

1.7 Chapter Summary

This chapter introduction to the study by presenting background of the study, identifying study problem presented in the problem statement, outlines the study objectives and research questions, presents justification of the study, give the scope of the study and limitation predicted. The next chapter presents literature review.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

This chapter presents the literature review of studies that have already been conducted on legal and professional procedures that need to be followed when retrenching employees, administrative procedures, and support programs needed for a retrenched person and how retrenchment procedures and process affects people. The chapter also provides a theory which underpins the study under investigation and conceptual framework that explains the relationship between the variables in the study.

2.1 Theoretical literature Review

This section presents two theories adopted to ground the study. These include Herzberg's Two-Factor Theory and welfare state retrenchment theory. Each has been well discussed from their proponents, modifications, empirical studies done using the theory and its application in the study.

2.1.1 Welfare State Retrenchment

Welfare state retrenchment was proposed by Pierson's (1994) as a way of explaining how Western countries act in ways of improving social democracy. Later the theory was modified by Pierson's (1996) to cover areas of retrenchment holding major underpinning. Pierson (1994) and Pierson's (1996) pointed that retrenchment in most organizations occurs due to change in their institutional or content structure. Based on the understanding of the theory, retrenchment is inescapable reality in organization, however based on welfare perspective the effect of retrenchment is gradual though if the process is inappropriately managed there may be effect on the staff being retrenched. According to Green-Pedersen (2004), welfare state as used in this theory simply explains benefits which are offered by the state in case an individual becomes very sick, attains old age,

and becomes unemployed among others and services that relate to health, child care among others. In this case it can be understood that welfare states are committed to equality and implements policies to provide social protection to citizens from market pressures, as such preventing unnecessary retrenchments. According to Green-Pedersen (2002), retrenchment cuts individuals welfare entitlement, as social security benefit levels, eligibility criteria become less attractive to the retrenched. Argument made by Korpi (2003) show that the problem of retrenchment is that its effect is not immediate but gradual while retrenchment rate is not harmonized. This study appreciates the welfare perspective such that indeed retrenchment has an effect on the individuals being retrenched or the survivors and thus the process needs to be well managed to avoid major effects. This theory was pivotal in identifying the right variables that should be applied by organization that are welfare concerned on the staff to be retrenched. As shown in the theory, the welfare of staff should be shown through proper selection criteria and applying right administrative procedures as the theory argues compensation should be applied and equality should be focused during selection of staff to be retrenched which can be translated to proper administrative procedures. Based on the theory it's also important to note that welfare should be applied by choosing the right programs to help the retrenched staff and retrenchment should not be done out of emotions but reality.

2.1.2 Herzberg's Two-Factor Theory

The two factor theory was proposed by Frederick Herzberg in 1959 with the intention of justifying there exist certain factors in a workplace that are likely to cause satisfaction while other separate factors cause dissatisfaction. Based on the theory, job satisfaction and job dissatisfaction act independently of each other (Herzberg, Mausner and Snyderman, 1959). In this sense, job satisfaction is an issue of motivation factors while dissatisfaction is as a result of hygiene factors (Herzberg, 1968). These hygiene factors includes job security, work conditions among others that don not necessary give positive satisfaction or lead to higher motivation however lead to dissatisfaction from their absence. In nutshell, hygiene factors are extrinsic to the work itself, are dependent on company policies, working condition and administration and cause dissatisfaction among employees in the workplace (Hackman and Oldham, 1976). On the other hand

motivational factors yield positive satisfaction, are intrinsically rewarding thus motivating employees for superior performance and include recognition, sense of achievement, growth and promotional opportunities and responsibility or management (Herzberg, 1968). The two-factor theory was tested using data from 203 engineers and accountants and findings indicated dissatisfiers contributed very little to job satisfaction and satisfiers contributed very little to job dissatisfaction. A study done in Sri Lanka by Dissanayake (2011) determining the validity of the theory established that all the hygiene and motivation factors are significantly correlate with job satisfaction and recommended that organizations should focus on hygiene and motivation factors very seriously when crafting and executing new strategies. This study recognizes two factor theories and hypothesizes that if retrenchment processes is not well managed it's likely to negatively affects employees job security and thus job satisfaction. Hygiene factors under test in this study include administrative procedures, support programs, employee's selection criteria and organization communication channels. These are likely affected job security among survivors and retrenches from Action-Aid. Tentatively, if these are not well managed they are likely to affect motivation factors.

2.2 Empirical literature review

This section presents empirical literature relevant for the study. It's arrayed in accordance to study objectives; administrative procedures, support programs, selection criteria, communication channels and job security of employees who have experienced retrenchment in an workplace.

2.2.1 Administrative procedures for retrenching employees and job security

A study by Burke and Nelson (1998) established that un-procedural lay off of workers makes employees become negative and hostile to a point they may turn un-loyal, unproductive and unhappy. This means that whenever employer wants to retrench their staff, a sufficient advance notice should be granted by communicating all the information clearly and in a fashionable way to prevent rumors that is likely to circulate. Normally, if managers fail to communicate clearly and openly, rumors circulate making employees

spend a lot of time excruciating and speculating about how to manage the condition instead of working. In this case, Human resource managers should relay the information several times and in different ways to let employees understand. It can also be important for managers to use physical contact instead of memos or emails to communicate to the victims and enable them feel grateful, valued and needed but the conditions have forced the decisions. According to Munjuri (2011) HR managers should strengthen and encourage survivors after downsizing to let them maintain faith about the organization.

Retrenchment is unavoidable in some cases; therefore it's worthy ensuring that proper fair administrative procedures are followed to manage the process. According to South Africa Department of Labor (2008) proper consultation should be done from individual to be retrenched, trade union or representatives of such staff so that proper date for retrenchment, the compensation required and how to minimize the effect of retrenchment to the staffs. The consultation procedure should also involve selection and severance pay of those to be retrenched, reason for the retrenchment, which method should be used, the number of worker to be retrenched, employer should give the number of staff who were retrenched for the last 12 month and the non-monetary assistance that would be given to the staff who will be retrenched. Basically, administrative procedure required should entail severance pay, issuing certificate of service, enough notice and staff living in the organization premise should be allowed to stay for enough time until they transition.

A study by Makawatsakul and Kleiner (2003) on "The effect of downsizing on morale and attrition" explain that the role of management during retrenchment is very significant. First, management should ensure that workers are prepared to ensure that the transition is as easy as possible. Management should give a very ample retrenchment notice and help them find new work through writing recommendation to their prospective employer. Administration should offer programs that train their staff in order to enable them gain wide range of knowledge making them at edge to prospective employers. This was also supported by a study by Burke and Nelson (1998) who argued that managers should be honest and open to their staff by communicating all information in timely manner to avoid rumors from speculating. Communication should be by physical contact rather than memos or emails.

A study by Burke and Nelson (1998) explain that for management to ensure that retrenchment is done effectively they should develop a change management plan with a clear vision and defined steps that will be observed and oversee transition. According to Munjuri (2011) management should offer transition management education/training, involving employees in managing transition, form a cross functional team that represent all employees to ensure that all staff needs and concerns are accommodated in the process, should offer counseling training to the managers on how to deal with employees emotions to deal with their stress.

2.2.2 Retrenchment support program for employees and job security

A study done by Charles (1974) “A sensible approach to mass layoffs” explains that to make retrenchment less painful to the retrenched that have to begin a new life several steps need to be followed: relocation of separated staff, ensuring psychological effect and economic strain are minimized and exercising proper community citizenship. According to Makawatsakul and Kleiner (2003) relocation of retrenched staff is necessary since if the process is improperly managed most individuals become confused as they are not accustomed in finding a new job thus knowing not what do with the situation. It would be better for the employers to help retrenched staff find new job so that their consistent flow of income is not interrupted. This can be done through introducing such employees to prospective employer through recommendations and well prepared resumes.

According to Munjuri (2011) to ensure that psychological and economic strains are alleviated, employers need to act honestly and directly to the employees, through clearly and early communication of retrenchment date, and give employees to be retrenched enough time to look for new jobs. Employers can also start assistance program to help people find new work, advice such staff of their rights to organization benefits, the amount they should be paid as well as time of payment. It's also important employers provide to the staff being retrenched through advising them of career plans, issues that relate to financial problem caused by loss of job, explain to them on necessary information that relate to social security and unemployed compensation.

NSW (2010) offers a state training program for organizations who are retrenching their workers. Among the proposed strategies is offering skill training programs for up-skilling the staff to be retrenched to help the gain higher level of qualification to the competitive job market which they are exposed into. In addition, this kind of training helps these employees make transition from their former job to new job opportunities. These skill training programs also should be geared toward spurring innovation to the staff being retrenched such that they are able to face future life with confidence.

2.2.3 Retrenchment selection criteria procedures and job security

Lewis (1992) made a publication guiding human resource managers on the retrenchment selection criteria. According to Lewis, human resource managers should have sound criteria in which selection was made. In this case, factors such as race or sex should not be the grounds of selection criteria. Instead, skills and qualification, disciplinary record, aptitude and attendance as well as standards of work should be the guiding factor when retrenchment has to be done. Employees with particular skills or good records should be considered on the staffs to be retained. Another consideration by Janse (2002) how to retrench staff explains that nondiscriminatory criteria must be used and thus proposes LIFO (Last in First out) such that employees who were recruited recently becomes the first to be laid to safeguard skills and experience of older staff. In a nut shell, the criteria applied must be fair and objectively applied to avoid rumors and job insecurity.

Munjuri (2011) did a survey of the criteria used by commercial banks in Kenya to determine employees to retrench. The results indicated that most commercial banks adopt last first out method, combined with an assessment of employees' productivity and their general misconduct. Some of the banks were found to adopt incapability of their staff to deal with work pressures as a reason to retrench them while other banks used early retirement program as a criterion to retrench its employees. Most of the banks that used LIFO to consider who to retrench have existed for over 30 years while most of the banks that use individual productivity had existed for between 11 and 20 years. Banks that used misconduct and incapability criterion had existed for more than 21 years with banks which have existed for over 30 years showing more preference to incapability criterion.

LIFO was mostly adopted by local banks the small, medium and large. As such, most commercial banks use different criteria to determine who to retrench with most common criteria being FIFO, individual productivity, employee obsolescence, early retirement programs, incapability and misconduct. Performance appraisal system were commonly used determine individuals productivity while insubordination, negligence, alcoholism, regular unauthorized absenteeism, fraud, financial mismanagement, rudeness and leaking out of sensitive information as a way of measuring misconduct. Capability relate to skill, physical and mental quality and academic qualification.

A study by Munjuri (2011) describing steps outlined by Enterprise Business Centre's Information Resource Centre on how employees to be retrenched should be determined through affective human resource management practice as first agreeing provision on how they are to be selected, set guidelines to be passed to employees and management, setting proper consultation with the union, map out organization future staffing needs, consider any possibility of internal transfer, ensure selection procedure is deemed fair as per the guidelines without any discrimination and ensuring that termination is not prohibited by any relevant legislation.

2.2.4 Effect of Retrenchment Communication Channels on Job Security

World Bank (2005) published need for proper communication on planned retrenchment to avoid misinformation. Based on the report, management should adopt sound retrenchment practices and ensure transparency through good communication strategy and clear communication to close gaps for rumors which can literally affect staffs morale and productivity. Harrison (2013) also observed that grapevine spreads faster than formal communication channels and email enforces grapevine. A worst grapevine rumors is "bogey rumors, wedge drivers and home stretchers" that causes employees fears and concerns, dissolves allegiances and fill gaps during ambiguity respectively. As such, organization should keep staffs regularly, fully and honestly informed on planned changes through formals and informal communication avenues such as face-to-face meetings, memos and emails.

Ndlovu and Parumasur (2005) study on “The perceived impact of downsizing and organisational transformation on survivors” established that communication plays an integral role in during downsizing. Based on study findings most retrenchment survivors felt management did help them understand on changes undergoing the organization, that there were no open channels of communication in the organisation during the process of downsizing, disagreed communication in the company was honest, open and candid and could not help them understand exactly what was expected of them following the changes in the organisation. As such, correlation results indicated that lack of open channels of communications affected employees trust, commitment, loyalty, employees morale and career advancement opportunities. These in turn affected organization performance. Another study by Paige (2001) established that employees in a post-retrenchment corporate culture experience an erosion of trust, a degeneration of morale and a general feeling of fear and paranoia. There is a sudden loss of colleagues, many of them long standing colleagues, and some of them close friends. As such, part of effective management of retrenchment process is open communication channels should be exercised.

According to Kandhakumar and Balasingh (2016) good corporate communication is effective in deepening employees and employees, employees and management relationship. In this sense, good companies pay special attention to betterment of effective communication systems among employees. When communication is weak or doesn't exist, trust is lost to confusion and cynicism. There is a decline in morale and confidence in leadership and organizational beliefs fade. To gain trust, there must be integrity. Another study by Upadhyay & Gupta (2012) established that work satisfaction is dependent on open communication at work place. Similarly, Steven (2009) also established that lack of open communication negatively affects staffs morale. This means that communication plays a very major role in increasing employee's satisfaction and morale. It follows that in time of downsizing it's very imperative to have clear and timely communication and feedback systems.

According to Pfeiffer (1998) two way communications has been found effective in improving speed and clarity of feedback system. Since retrenchment means that someone

is losing their job, early and continuous communication among management employees to employees, customers and communities would help improve openness and reduce speculation. Communicating on what is happening helps reducing panic. On contrary, lack of proper communication increases loss of morale, commitment, mental health degradation, breeds fear and distrust. A study by Behn (1980) established that ineffective communication during retrenchment may create demoralization, increase voluntary retrenchment, dampen organization productivity as most talented and productive individuals opt for voluntary retrenchment and alternative jobs. Denga (1987) also pointed that ineffective communication would cause psycho-social problems such as reduced high blood pressure, self-esteem, tendency to commit crimes, general irritability, stomach ulcers and heart disease, depression and financial emaciation. These problems were also found to be connected to employee job insecurity, morale, trust and productivity.

In Kenya a study by Mohamed (2012) on “the effects of retrenchment prospect on employee morale at Rift Valley Railways, Kenya” established that employees feel sidelined on communication matters. Before retrenchment unclear communication on selection criteria resulted to low employees morale since permanent employees felt that they should be involved on matters of retrenchment. Duncan, Sakwa and Kiriago (2013) study in Telkom Kenya established that for retrenchment to be completed successfully early communication should be made to the employees to avoid demoralizing surviving employees. Based on the study lines of communication should be put in place to ensure survivors talk freely about their feeling and understand where the organization is headed.

2.2.5 Job Security of Retrenched and Survivors

A study done by Tylezak (1991) explains that poor decision that relate to which staff to be retrenched that is followed by improperly coordinated process leaves retrenched employees suffering from shock, grief, anger, shame, despair, disbelief, fantasy and embarrassment affecting their emotional life. Worse still the remaining staffs are also affected by dismissal of their colleagues and also suffer from uncertainty, insecurity, fear, guilt, injustice, mistrust as well as resentment which affect their performance. A study by

Noer (1995) established that these negative effects can easily give birth to survivors' syndrome and it consistently seen through a range of staff attitudes and perceptions. According to Noer, this is what finally makes performance deteriorate.

Another study by Cox (1993) employees who survive from retrenchment normally encounters difficulties when coping with bigger workload from former colleagues and organization registers much sick offs and consistent absenteeism that costs the organizations. As such, retrenchment is improperly managed lead to stressful working conditions, more job demands and decreased social support that affect performance. A study by Brockner (1998) established that survivors of retrenchment often show job dissatisfaction, reduces staff morale and productivity.

A study done by Nyamberi and Kiriago (2013) "effects of retrenchment on the morale and job security of surviving employees of Telkom Kenya Limited" established that retrenchment has both positive and negative effect on existing staff. On the negative effect, surviving employees' morale diminishes and is often traumatized at the work place; they feel like there is no job security and become less productive as they think of getting a job elsewhere. As such, staff retrenchment affects motivation of staff. A study done by Okibo (2012) on the effect of retrenchment on service delivery of retained civil servants in Kenya established that as a result of retrenchment, staff were left having a feeling of job insecurity and uncertainty with the job form civil service, most remaining staff lost their morale and thus affecting service delivery.

2.3 Summary and Research Gaps

Table 2.1: Summary and Research Gaps

| Author | Focus of the study (Topic) | Methodology | Main findings | Knowledge gap | Focus of present study |
|-----------------------|--|---|---|--|--|
| Burke & Nelson (1998) | Merger and acquisitions, downsizing and privatization: A North American perspective | Cross sectional survey design | Rumors preceded official information such as memos or emails | The study settings is in developed nations | The study focused on developing nation- Kenya |
| Denga (1987) | Counseling the Retrenched Worker in Nigeria. International Round Table for the Advancement of Counseling | Data was collected among 500 retrenched workers | Ineffective communication channels psycho-social problems such as reduced self-esteem, depression, job insecurity, morale, trust and low productivity | <ul style="list-style-type: none"> • The study focused on post retrenchment effects. • The study focused on retrenches not survivors | <ul style="list-style-type: none"> • Focuses on both retrenches and survivors • This study focuses on the impact of retrenchment process |
| Huka (2003) | A survey of the practices of staff downsizing among the major oil firms in Kenya | Descriptive survey design | Other retrenchment strategies include reduced hiring and reviewing salary downward | The study didn't identify influence of downsizing practices on staffs | This study put primary focus on staffs as they are recipients of retrenchment practices |

| | | | | | |
|---------------------------------|---|--|--|--|--|
| Kandhakumar & Balasingh (2016). | Conceptual frame works on employee morale and satisfaction in work place. | Systematic review | Good corporate communication removes uncertainty. | Did systematic review from non homogenous studies | This study collected primary data from homogenous population |
| Mohamed (2012). | The effects of retrenchment prospect on employee morale, a case of rift valley railways, Kenya | Case study design | Staffs loose morale due to unclear communication on selection criteria. Employees are not involved. | The study focused retainers who are permanently employed | This study focuses all staffs who experienced retrenchment process |
| Munjuri (2011) | A Survey of the Criteria Used by Commercial Banks in Kenya to Determine Employees to Retrench | Descriptive survey design: HR managers | Selection criteria: First in First Out, individual productivity, employee obsolescence, incapability and misconduct and general misconduct | The study was done among HR managers | This study focuses on the effects of selection criteria used by HR on employees |
| Nyaberi & Kiriago (2013) | Effects of retrenchment on the morale and job security of surviving employees of Telkom Kenya Limited | Descriptive survey design | After retrenchment employees lost their job security | Focused on post retrenchment and found most employees | This study focuses on retrenchment process on all staffs. Whether retrenched or retained |
| Okibo (2012) | Effects of retrenchment on service delivery of | Descriptive cross | Job insecurity and uncertainty, loss of morale | The study focused on service delivery | This study focused on whether procedures are |

| | | | | |
|--|---------------------|---|---|---|
| retained civil servants- a study of selected ministries in Kisii Central District, Kenya. | sectional design | and thus affecting service delivery. | study population was retainees in government institutions. | followed during retrenchment in non- governmental institutions |
|--|---------------------|---|---|---|

2.4 Conceptual Framework

The conceptual framework below shows the relationship that occurs between properly managed retrenchment process that includes effective administrative procedures, strong support programs, transparent selection criteria for the purposes of minimizing effect during retrenchment process.

Independent Variable

Dependent Variable

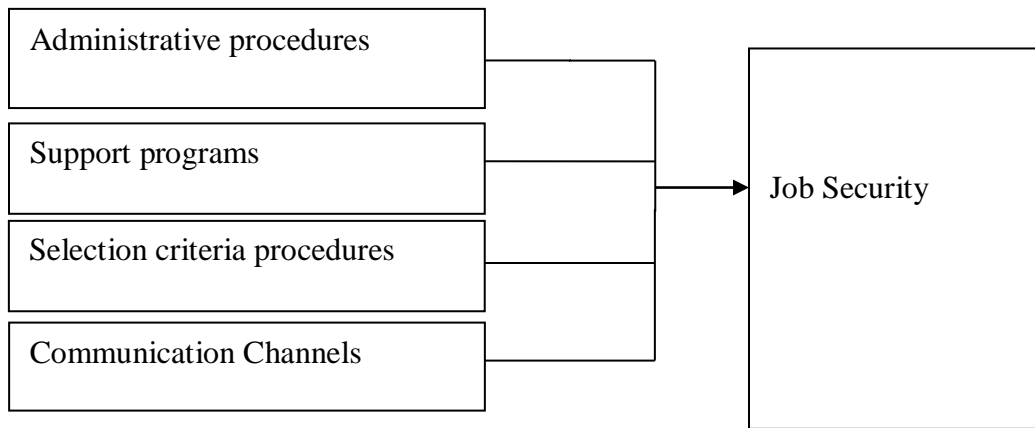


Figure 2.1: Diagram depicting the relationship between theory, independent and dependent variables

2.5 Operationalization of variables

Table 2.2: Operationalization of variables

| variable | Variable type | Variables for measurement Indicators | Operational Definition Measurement | Measurement Scale |
|-------------------------------|---------------|---|---|--------------------------------------|
| Administrative procedures | Independent | <ul style="list-style-type: none"> • Consults with staffs and HODs • Communication compensation • Issuing of notice and rights of employees • Collaborating with retrenchment experts | Responses given in Likert Scale of 1-5 to assess whether Administrative procedures has a relationship with job security | Ordinal Scale (non-dichotomous type) |
| Support programs | Independent | <ul style="list-style-type: none"> • Financial support • Financial training • Training on transition management • Counseling programs | Responses given in Likert Scale of 1-5 to assess whether support programs has a relationship with job security | Ordinal Scale (non-dichotomous type) |
| Selection criteria procedures | Independent | <ul style="list-style-type: none"> • Skills and qualifications • Disciplinary records • Last in First out (LIFO) • First in First out (FIFO) • Employees' productivity | Responses given in Likert Scale of 1-5 to assess whether selection criteria procedures has a relationship with job security | Ordinal Scale (non-dichotomous type) |
| Communication channels | Independent | <ul style="list-style-type: none"> • Face to face meeting • Grapevine • Insider information • Face-to-face meetings • Memos and Emails | Responses given in Likert Scale of 1-5 to assess whether communication channels has a relationship with job security | Ordinal Scale (non-dichotomous type) |
| Job Security | Dependent | <ul style="list-style-type: none"> • A sense of belonging • Positive comments about organization • Lack of retrenchment fear • Trust of organization management • Morale at job • No or less absenteeism • Happy at work | Responses given in Likert Scale of 1-5 to assess whether mentioned variables indicates job security | Ordinal Scale (non-dichotomous type) |

2.6 Chapter Summary

This chapter did literature review. It was organized as theoretical review where welfare theory of retrenchment was reviewed, empirical review was done in regard to the study variables, critique of the literature was done, summary provided, research gap outlined and finally conceptual framework to show the relationship between the study variables. The next chapter presents research methodology.

CHAPTER THREE

RESEARCH METHODOLOGY

3.0 Introduction

In this chapter the researcher discusses the research design, study area, study population, sampling procedure, methods and data collection, data management, ethical considerations, study limitations and delimitations.

3.1 Research Design

The purpose of this research study is to investigate effect of retrenchment processes on job security of retrenched and retained employees with Action-Aid as case study. The study adopted a descriptive survey design. Descriptive research design is chosen because it enables the study to generalise the findings to a larger population. According to Chandran (2004) descriptive studies portray an accurate profile of persons, events or situations, describing the existing conditions and attitudes through observation and interpretation techniques. It allows one to collect quantitative data which can be analyzed quantitatively using descriptive and inferential statistics (Saunders, Lewis and Thornhill, 2003). A descriptive approach in data collection is able to collect accurate data on and provide a clear picture of the phenomenon under study (Mouton and Marais, 1992). Streubert and Carpenter (1999) state that a descriptive method in data collection in qualitative research is central to open, unstructured qualitative research interview investigations. Both quantitative and qualitative approaches are adopted in developing data collection instruments.

Given this study aims to understand procedure and processes during retrenchment process and its effect on job security, the best research design for this particular study is descriptive research design. Descriptive research design helps this study collect research findings, analyze them and write a report on procedures as well as processes that are

adopted by organizations during employees' retrenchment. This data was processed to provide descriptive information.

3.2 Target Population

Population is an entire group of individuals, events or objects with some common observable characteristics (Mugenda & Mugenda, 2003). This study is primarily aiming to understand issues related to procedure and processes followed during employees' retrenchment. As such, the study targeted individuals who were present during 2012/2013 retrenchment exercise. The target population of this study was 240 individuals.

3.3 Sample and Sampling Technique

Given the target population of the study is retrenched staff and survivors of retrenchment the most appropriate sampling design is both purposive and convenient sampling. This helped researcher approach any of the category with capacity of responding to the questionnaire. The respondents were selected purposively and data collected conveniently. According to Gravetter & Forzano (2012), convenient sampling is a non-probability sampling technique where subjects are selected because of their convenient accessibility and proximity to the researcher. This supports the study and hence suitable for this specific study. In determining the sample size Yamane (1967) was applied. The sample size using the formula gives:

$$n = \frac{N}{1 + N(e)^2}$$

Where n is the sample size, 1= Constant, N is the population size (240), and e is the level of precision which is 0.05 at 95% confidence interval.

$$n = \frac{240}{1 + 240(0.05)^2}$$

n=150 respondents

This gives a sample size of 150 individuals where half (75) must have suffered retrenchment while 75 survived during retrenchment.

3.4 Instrument of Data Collection

There are several data collection instruments a researcher can engage in the process of collecting data for a study. According to Mugenda & Mugenda (2003) the readily available data collection instruments include questionnaires, observations, interviews, historical reviews and focus groups and recordings. Each of these methods is applied according to the kind of data the researcher needs, the design used, the ease of applicability and researcher's preference. Given that the study collected data from both respondents with reasonable level of education and the researcher could not estimate their availability on the day of data collection, the study adopted a structured questionnaire as the main data collection method to collect both qualitative and quantitative data. The structured questionnaire has also been given other advantages: it gives easily analyzable findings, it is cheap and easy to administer and can be attended to in the absence of the researcher.

The structured questionnaire was programmed online to help all respondents access it for their responses. The survey link was sent to the respondent's email and requested through a voice call to respond within 30 days. The follow ups emails were done fortnightly for 2 months.

3.5 Pilot study

A pilot study was adopted for the purposes of providing data that was used for factor analysis since primary questionnaire was used to collect data. The pilot study helped in checking the reliability and validity of results before actual data collection. There are many approaches to determining sample size for pilot, Connelly (2008) recommends 10% of sample for the study while Isaac and Michael (1995) suggests 10-30 participants for pilot in a descriptive survey design. The study adopted Isaac *et al.*, (1995) suggestion and utilized 10 respondents for the pilot study. The pilot findings helped validate research instrument was valid and reliable.

3.5.1 Validity

To ensure that structured questionnaire yields the result, piloting was done to test validity of questionnaire. Babbie (2010) considers validity to be the extent to which an instrument measures what it is expected to measure. To validate the instrument the researcher used supervisor who validated the content validity was achieved.

3.5.2 Reliability test

Reliability is the degree of consistency with which the instrument measures an attribute (Polit & Hungler, 1999). It further refers to the extent to which independent administration of the same instrument yields the same results under comparable conditions. The less variation the instrument produces in repeated measurements of an attribute the higher the reliability. Internal consistency concerns the reliability of the test components. Internal consistency measures consistency within the instrument and questions how well a set of items measures a particular behaviour or characteristic within the test. A portion of respondents (10 precisely) were sampled for pilot study. Data was entered in SPSS and Cronbach's Alpha computed. The Cronbach's alpha coefficient ranges between 0 and 1 with higher alpha coefficient values being more reliable. A questionnaire with a good internal consistency should have high alpha coefficients. All variables with Cronbach's alpha coefficient of 0.7 or more were considered reliable. A correlation coefficient greater or equal to 0.6 was accepted.

3.6 Data Collection Procedure

The researcher sought authorization of the study from the concerned authorities through a typed letter. The researcher expressed the need to conduct a study and the importance of the study to the target population and the society at large. The individuals selected and the management of the organization was informed the ethical considerations the research was to put into consideration and the date when data was to be collected. During the data collection period, the researcher called the respondents using mobile phone and explained the need of the study. The respondents were thereafter requested to participate. Those who consented were sent the questionnaire on their emails.

3.7 Data Analysis and Presentation

The data was coded and keyed in to Statistical Package for Social science version 20. The data entered was cleaned to remove errors and analyzed using descriptive statistics such as means and percentages. Inferential statistics such as chi-square test for dependence were used to test significance among dependent and independent variables. Lee, Lee and Lee (2000), descriptive statistics are best placed to give accurate summaries of the distribution of data. This is because they present the data as it is without projecting applications to the whole population.

3.8 Ethical Considerations

3.8.1 Informed Consent

The researcher approached selected organization human resource managers department so as to seek consent to collect data from retrenched and survivors staffs. During data collection, the respondents were provided with adequate information on the aims of the research the procedures that would be followed and the way in which the results would be used. Before actual data collection was carried out, the researcher made purpose of the study clear through an introduction on the email and explained the findings were to be used for academic purposed only. This enabled them make informed decision on whether to participate or not.

3.8.2 Voluntary Participation

The respondents were informed of their right to take part or not in the survey. This was done using a question: Please accept or reject your voluntary participation in this study. Those who accepted were considered to have consented to voluntary participate and has their survey preloaded for their response. Those who didn't consent had their survey link closed and could not respond to the questionnaire.

3.8.3 Confidentiality

The respondents were assured confidentiality of the provided information. This was done stating ‘we will keep everything you tell us as confidential as possible. Your names are not required and code number will be used to identify you in a password-protected computer database.’ This removed any uncertainty hence respondents were confident on their information confidentiality.

3.8.4 Privacy

Respondents were allowed to respond to the survey away from their workplace. They were also given 1 month to find time to respond to the survey link sent in their email and would respond any time of the day or night.

3.8.5 Anonymity

This was assured by allowing the respondents be at liberty to omit their names.

3.9 Chapter Summary

This chapter presented method the study adopted to attain the main objective. The organization was that researcher identified the design to be adopted while justifying why descriptive design, identified the study area, explained the study population, sampling procedure, methods and data collection, how data was be managed and provided ethical considerations to be observed. The next chapter presents results and findings.

CHAPTR FOUR

RESEARCH FINDINGS AND DISCUSSION

4.0 Introduction

This chapter presents the results of the study, whose data was collected using structured online questionnaire. The study sought to investigate the effect of retrenchment process on job security of retained and retrenched staffs at Action-Aid. This means the outcome variable is job security of retrenched and retained staffs while retrenchment process is independent variable.

4.1 Presentation of Research Findings

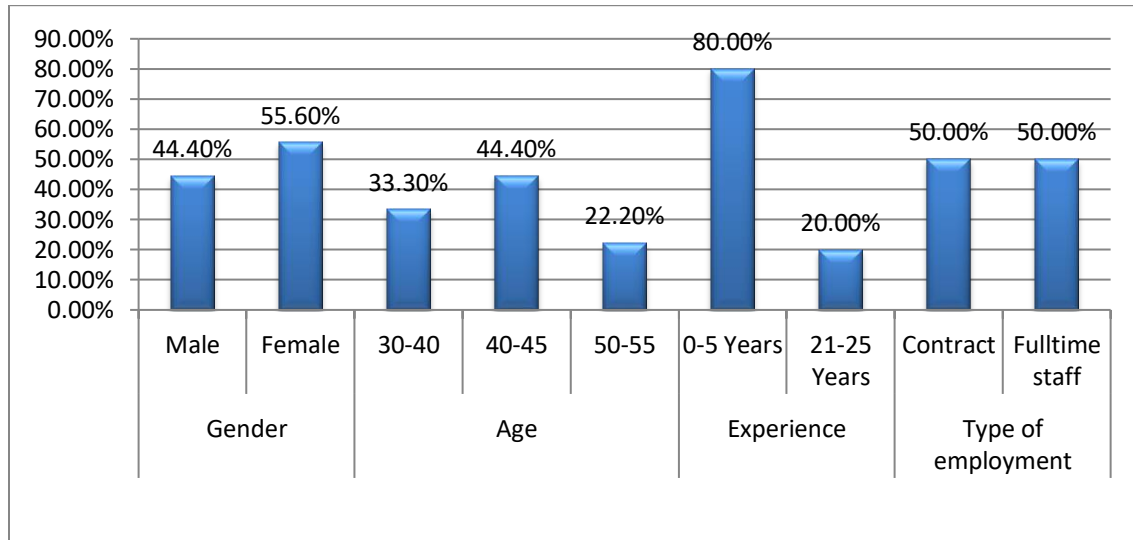
4.1.1 Response Rate

The study targeted sample size of 150 retrenched and retained staffs at Action-Aid. The contacts were collected from Action-Aid; respondents were contacted explaining the purpose of the study and survey link sent to their emails. Out of 150 targeted respondents, 60 dully filled questionnaires were returned thus a return rate of 40%. According to Sheehan (2001) the average response rate for email surveys is 30%. This means that response rate of 40% is above average and as adequate for analysis and reporting. As such, the return rate was excellent for analysis.

4.1.2 Background Information

As shown in figure 4.1 below, females were majority at 55.6%, most of the respondents (44.4%) were of ages 40-45 years, and most of them (80%) had worked at Action-Aid between 0 and 5 years. In terms of their mode of employment, 50% were contract employees and 50% fulltime staff.

Figure 4.1: Background Information



4.1.3 Effect of administrative procedures on job security among retrenches and survivors

The study sought to understand administrative procedures followed by Action-Aid when retrenching staffs in 2012/2013 retrenchment exercise. From the findings presented in table 4.1 below, majority of the respondent (77.9%) indicated that reasons of retrenchment were communicated, 55.5% agreed sufficient notice was given to retrenches, 44.4% agreed compensation amount was explained before retrenchment, 55.5% explained that retrenched staffs were given certificate of service, 44.4% indicated that recommendations letters were issued to all outgoing staffs and 44.4% of the respondents indicated psychological training was done to all staff during transition.

The Chi-Square dependency test shown that there exists significant relationship between early communication on the reasons for retrenchment on job security/satisfaction of staffs since it helps staffs understand retrenchment is inevitable and thus embrace retrenchment process $\{x^2(21, N=60) = 145, p = .000 < 0.05\}$. These findings support study by Makawatsakul and Kleiner (2003) who established that the role of management during retrenchment is very significant since it helps preparing staffs embrace transition by early communication on the reasons for retrenchment. Another study with these finding was done by Burke and Nelson (1998) who argued that managers should be honest and open

to their staff by communicating all information in timely manner to avoid rumors from speculating. Communication should be by physical contact rather than memos or emails.

The study established that sufficient notice was given to retrenches that included compensation package even though the compensation amount was not explained prior retrenchment exercise. This was important to ensure fear for retrenchment was overcome by compensation and helping staffs understand management recognizes their efforts in achieving organizational goals. Results from Chi-square tests indicate that sufficient notice and use of compensation package increases job security of retained staffs and helps retrenches feel embraced. Similar results by Burke and Nelson (1998) established that whenever employer wants to retrench their staff, a sufficient advance notice should be granted by communicating all the information clearly and in a fashionable way to prevent rumors that is likely to circulate. Lack of sufficient notice makes employees become negative and hostile to a point they may turn un-loyal, unproductive and unhappy. Also, Makawatsakul and Kleiner (2003) pointed that management should ensure ample retrenchment ensure that workers are well prepared to ensure that the transition is as easy as possible.

It was established that retrenched staffs were given certificate of service and recommendations letters. Also, psychological training was done to all staff during transition to help cope with retrenchment exercise. Scholars have indicated that despite monetary handshake to retrenches, management should consider offering non monetary support to ensure retained doesn't lose their job security and retrenches are not adversely affected by retrenchment exercise. South Africa Department of Labor (2008) argues that issuing certificate of service and enough notice for staffs living in the organization premise is important as part of retrenchment management. Makawatsakul and Kleiner (2003) also suggested writing of recommendation letters to all retrenches that would serve as introductory letters to prospective employers. Also, it's important that administration should offer programs that train retrenches on wide range of knowledge making them at edge to prospective employers. Munjuri (2011) argues that management should offer transition management and counseling training to enable all staffs deal with employees deal with stress.

Table 4.1: Administrative Procedures

| | Disagree | Neutral | Agree | Job satisfaction (Chi square test) | |
|--|----------|---------|-------|------------------------------------|---------|
| Reason of retrenchment were communicated | 0% | 22.20% | 77.8% | X ² | 138.000 |
| | | | | df | 21 |
| | | | | Sig. | 0.000 |
| Sufficient notice was given to retrenches | 44% | 0.00% | 55.5% | X ² | 222.500 |
| | | | | df | 28 |
| | | | | Sig. | 0.000 |
| Compensation amount was explained before retrenchment | 22% | 33.30% | 44.4% | X ² | 240.000 |
| | | | | df. | 35 |
| | | | | Sig. | 0.000 |
| Certificate for service was issued to retrenches | 22% | 22.20% | 55.5% | X ² | 240.000 |
| | | | | df | 35 |
| | | | | Sig. | 0.000 |
| Recommendation letters were issued to outgoing staffs | 33% | 22.20% | 44.4% | X ² | 240.000 |
| | | | | df | 35 |
| | | | | Sig. | 0.000 |
| Psychological training was done to all staff during transition | 33% | 22.20% | 44.4% | X ² | 240.000 |
| | | | | df | 28 |
| | | | | Sig. | 0.000 |

4.1.4 Effect of support programs on job security among survivors and retrenches

The study wanted to establish the support programs offered to support retrenches and retrenched at ActionAid. The results indicated that majority of the respondents (60%) indicated that counseling programs were not offered, most of the respondents (50%) indicated that there was no career plan seminars held for outgoing staffs and 40% reported no financial training was offered to those receiving financial compensation. However, most of the respondents (60%) concurred to monetary hand shake was offered to retrenches compared to 20% disagreed. No prepared resumes were offered to outgoing staffs as shown by 60% of the respondents which affected their satisfaction with retrenchment process.

It was established that among the support programs used by organizations in Kenya includes: counseling programs, career plan seminars, financial training and financial compensation and significantly influenced job satisfaction ($p < 0.05$). However, during retrenchment at ActionAid most retrenches and survivors indicated that even though

financial compensation was provided to outgoing staffs, counseling programs were not offered, no career plan seminars were held for outgoing staffs, no prepared resumes were issues and no financial training was offered to those receiving financial compensation. According to Charles (1974) to make retrenchment less painful to the retrenched there is need to ensure psychological effect and economic strain are minimized. This can be done through offering counseling programs to the retrenches and retained staffs and offering financial constraints. Munjuri (2011) also pointed that support programs such as holding career plan seminars, financial planning and information on social security would be effective in helping employees handle retrenchment. NSW (2010) also pointed support programs such as skills training programs can help retrenches gain higher levels of skills that would help them become competitive in the job market.

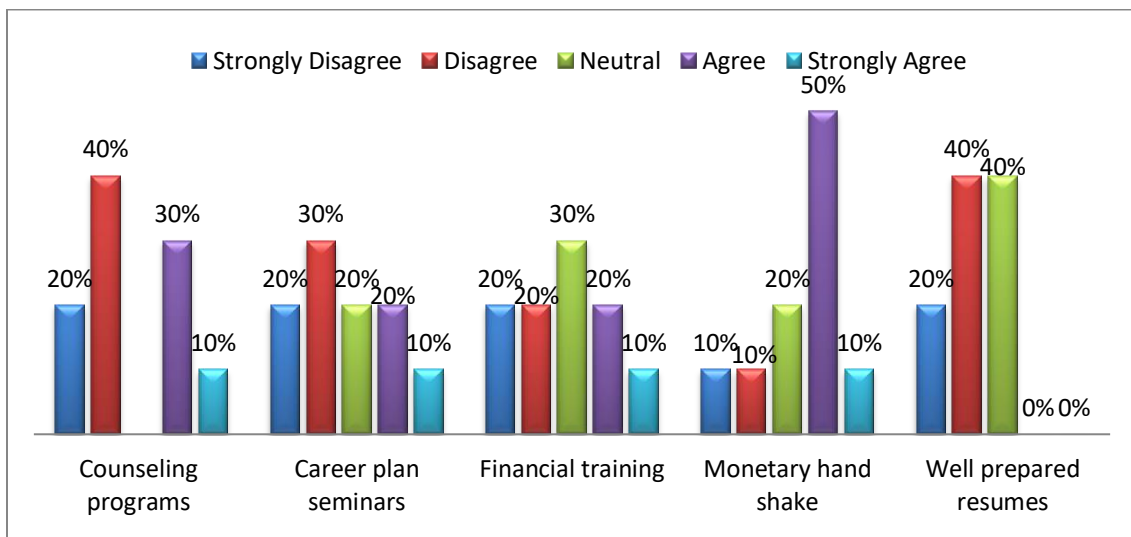


Figure 4.2: Support Programs

4.1.5 Effect of selection criteria procedures on job security among survivors and retrenches

The study wanted to establish how organizations select staffs to retrench. Scores were on a scale of 1-5, where 1 was least influenced and 5 as highly influenced selection criteria of staffs to be retrenched. From the findings summarized in table 4.2, skills and qualification was perceived to be a major factor considered in selection of staff to

retrench at ActionAid (Mean of 2.9), followed by employees productivity (means of 2.4) and First in First out/older employees (mean of 2.3). Disciplinary records (mean of 1.8), last in first out (mean of 1.8), failure to perform assigned duties (means of 1.4) and high salaries (means of 1.2) least influenced selection criteria.

On the effect of selection criteria, the study established that using skills and qualifications $r(60) = -.361, p = .05 < .05$, LIFO $r(60) = -.531, p = .000 < .05$, and high salaries $r(60) = -.231, p = .076 < .1$ negatively influences levels of job satisfaction significantly. On the other hand use of criteria such as employees productivity, $r(60) = .346, p = .007 < .05$ and disciplinary record $r(60) = .264, p = .042 < .05$ improves job satisfaction positively. Similar findings by Lewis (1992) shown that employees with particular skills and qualifications or good records are considered to be retained. On contrary, Janse (2002) proposes LIFO (Last in First out) such that employees who were recruited recently becomes the first to be laid to safeguard skills and experience of older staff and Munjuri (2011) survey in commercial banks in Kenya established that LIFO method unlike this study that has established FIFO is a major consideration for retrenchment. However Munjuri study supported employees' productivity and their general conduct for staffs to be retained. Depending on the nature of retrenchment the criteria applied must be fair and objectively applied to job insecurity.

Table 4.2: Selection Criteria

| | 1 | 2 | 3 | 4 | 5 | Mean | Job satisfaction (N=60) | |
|---|---------|---------|---------|---------|---------|------|-------------------------|---------|
| Skills and qualification | 20 % | 20 % | 10 % | 50 % | 0% | 2.9 | Corr (r) | -.361 |
| | | | | | | | Sig. | 0.05** |
| Employees' productivity | 30 % | 30 % | 10 % | 30 % | 0% | 2.4 | r | 0.346 |
| | | | | | | | Sig. | 0.007** |
| Older employees (First in First out) | 50 % | 10 % | 10 % | 20 % | 10 % | 2.3 | r | -0.189 |
| | | | | | | | Sig. | .149 |
| Disciplinary record | 60 % | 10 % | 20 % | 10 % | 0% | 1.8 | r | .264 |
| | | | | | | | Sig. | 0.042** |
| Newer employees (Last in Last Out) | 60 % | 10 % | 20 % | 10 % | 0% | 1.8 | r | -0.531 |
| | | | | | | | Sig. | 0.000** |
| Failure to perform assigned duties | 56 % | 44 % | 0% | 0% | 0% | 1.4 | r | -0.125 |
| | | | | | | | Sig. | 0.341 |
| Those with high salaries | 90 % | 0% | 10 % | 0% | 0% | 1.2 | r | -.231 |
| | | | | | | | Sig. | 0.076* |

4.1.6 Effect of retrenchment communication channels on job security among survivors and retrenches

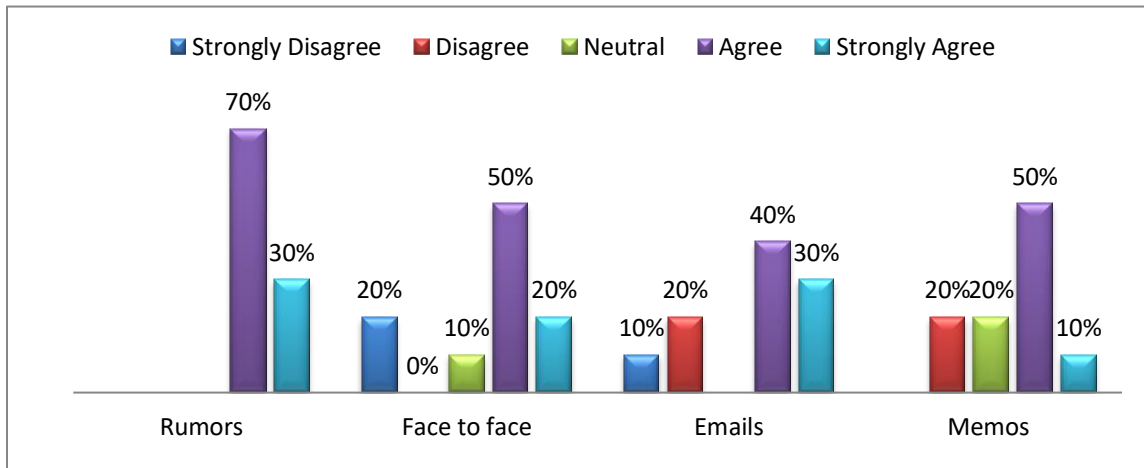
The study also wanted to understand communication channels used by organization during staff's retrenchment process. From table 4.3 below, majority of the respondents (70%) indicated that there was a clear communication on the purpose of retrenchment. Also, most of the respondent's (60%) concurred open communication with feedback was allowed during retrenchment season. Chi-square test for dependence indicated that satisfaction was also dependent on clear communication of retrenchment purpose $\chi^2(28, N=60) = 200, p = .000 < 0.05$ and ensuring open communication with feedback during retrenchment season $\chi^2(28, N=60) = 205, p = .000 < 0.05$.

Table 4.3: Management of retrenchment

| | Disagree | Neutral | Agree | Job satisfaction | |
|---|----------|---------|-------|------------------|-------|
| Purpose for retrenchment was communicated clearly | 20% | 10% | 70% | Chi-sq | 200 |
| | | | | df | 28 |
| | | | | Sig. | 0.000 |
| Open communication with feedback was allowed during retrenchment season | 20% | 10% | 70% | Chi-sq | 205 |
| | | | | df | 28 |
| | | | | Sig. | 0.000 |

On the communication channels adopted by ActionAid during retrenchment, the study established that before official communications on the impending retrenchment, rumors had it as shown by 70% of the respondents. On the official communication channels, majority of the respondents (70%) were aware that face to face meeting with management explaining the impending retrenchment was done and another 70% received emails from management communicating of their retrenchment. Sixty percent indicated memos were also used for communications. The results are in line with World Bank (2005) study that pointed that good communication strategy and clear communication closes gaps for rumors and misinformation which can literally affect staffs morale and productivity. Delay communication by management at Actionaid caused rumours and after implementing good communication strategy and clear communication channels retrenchment was successful as majority of the respondents referred Actionaid as a good employer. Study by Mohamed (2012) at Rift Valley Railways established that before retrenchment unclear communication caused rumours that resulted to low employees morale since employees felt that they should be involved on matters of retrenchment. Similarly in Telkom Kenya, Duncan, Sakwa and Kiriago (2013) study established that for retrenchment to be completed successfully early communication should be made to the employees to avoid demoralizing surviving employees. Harrison (2013) study also observed that grapevine spreads faster than formal communication channels thus organization should use formals and informal communication avenues such as face-to-face meetings, memos and emails to communicate to all staffs.

Figure 4.3: Communication Channels



4.1.7 Effect of retrenchment processes on job security of retrenched and retained employees

Finally, the study wanted to understand job security of staffs after the retrenchment process. Respondents were asked to either agree or disagree on various indicators of job security. The findings revealed that during and after retrenchment, very few staffs (20%) felt shocked, grieved, angry, embarrassment, in disbelief and like it's a fantasy of the retrenchment. However, 60% of the staffs expressed presence of uncertainty, insecurity and fear during retrenchment season. After the retrenchment most of the respondents (80%) felt loss of their job security even though most of the respondents (80%) indicated due to good management of retrenchment exercise they still make positive comments of Actionaid. Most survivors (60%) did not lose job morale after retrenchment even though majority (60%) fear undergoing retrenchment processes in their place of work due to their experience. Finally, majority of survivors (40%) trust Action-Aid as a good employer even though 40% indicated they would quit if found similar job elsewhere. A study by Noer (1995) established that these negative effects can easily give birth to survivors' syndrome and it consistently seen through a range of staff attitudes and perceptions. Similar findings by Nyamberi and Kiriago (2013) in Telkom Kenya Limited pointed that retrenchment has both positive and negative effect on existing staff. On the negative effect, surviving employees' morale diminishes and is often traumatized at the

work place; they feel like there is no job security and become less productive as they think of getting a job elsewhere. Similarly a study done by Okibo (2012) among retained civil servants in Kenya established that as a result of retrenchment, staff were left having a feeling of job insecurity, uncertainty and most remaining staff lost their morale and thus affecting service delivery.

Table 4.4: Job security after retrenchment

| After retrenchment; | SD | D | Neutral | A | SA | Mean |
|--|--------|----------|----------|----------|---------|------|
| I felt shocked, grieved, angry, embarrassment, disbelief and like it's a fantasy | 10%(6) | 30%(18) | 30%(18) | 10%(6) | 10%(6) | 2.8 |
| I felt presence of uncertainty, insecurity and fear during retrenchment season | | | 10%(6) | 60%(36) | 20%(12) | 4.1 |
| I feel job security was lost | | | 10% (6) | 60%(36) | 20%(12) | 4.1 |
| I make positive comments about ActionAid | | | 20%(12) | 80%(48) | | 3.8 |
| I lost my morale at work after retrenchment | 10%(6) | 40%(24) | 30%(18) | 10%(6) | | 2.4 |
| I fear retrenchment | | 20%(12) | 10%(6) | 60%(36) | | 3.4 |
| I Trust ActionAid as an employer | | 20%(12) | 10% (6) | 50%(30) | 20%(12) | 3.7 |
| As a survivor if I find another job I could quit working here | | 30% (18) | 30% (18) | 40% (24) | | 3.1 |

4.1.8 Relationship between administration procedures, support programs, selection criteria, communication channels and job security of retrenched and retained staffs

The study wanted to establish whether retrenchment process management affected employee's job satisfaction. The findings indicated that a significant relationship exists between administration procedures used and job satisfaction $\chi^2(21, N=60) = 145, p = .000 < 0.05$, support programs and job satisfaction $\chi^2(21, N=60) = 160, p = .000 < 0.05$, selection criteria and job satisfaction $\chi^2(18, N=60) = 90, p = .000 < 0.05$ and communication channels and job satisfaction $\chi^2(21, N=60) = 180, p = .000 < 0.05$. This

means that to improve job satisfaction during and after retrenchment exercise, organization needs to ensure proper administrative procedures, support programs, proper selection criteria and open communication channels $\chi^2(63, N=60) = 420, p = .000 < 0.05$.

Table 4.5 Inferential Statistics

| | | Job Satisfaction | | |
|------------------------|--------------------|------------------|----|----------------|
| | | Value | df | Sig. (p-value) |
| Admin procedures | Pearson Chi-Square | 145.000 | 21 | .000 |
| Support Programs | Pearson Chi-Square | 160.000 | 21 | .000 |
| Selection Criteria | Pearson Chi-Square | 90.000 | 18 | .000 |
| Communication Channels | Pearson Chi-Square | 180.000 | 21 | .000 |
| Retrenchment process | Pearson Chi-Square | 420.000 | 63 | .000 |

4.2 Limitation of the Study

During data collection, it was established that after 2013 retrenchment exercise most ActionAid staffs left and found jobs in other organizations. It was challenging to locate these staffs and administer questionnaire and interviews. The researcher overcame this by requesting current Actionaid human resource manager to seek emails from records of all staffs who got retrenchment between 2012 and 2016. These emails were used to administer online questionnaire.

Since the survey was sent to emails collected since 2012, some emails were not functional while others were not replied. A return rate of 40% achieved was above threshold of 30% set by researchers on email surveys (Sheehan, 2001). However, on online surveys the researcher has no control of the questionnaire. This caused the researcher collect emails when submission was made and rejecting all emails not in the list.

4.3 Chapter Summary

This chapter presented findings while comparing the findings with other studies. The major finding indicated that most staffs perceived administrative procedures were followed, support programs were offered, the selection criteria was objective and before

official communication channels rumors had leaked. The next chapter is summary, recommendations and conclusions from study findings presented in this chapter.

CHAPTER FIVE

SUMMARY, RECOMMENDATIONS AND CONCLUSIONS

5.0 Introduction

The previous chapter presented the results and findings arising out of this research on effect of retrenchment processes on job security of retrenched and retained employees with Action-Aid as case study. This chapter presents a discussion, conclusion and then recommendations. This chapter is divided into three sections: Section 5.2 provides a discussion of the study findings; section 5.3 presents the conclusion while section 5.4 lists the recommendations put forward by the researcher in view of the study findings.

5.1 Summary of the Findings

5.1.1 Effect of administrative procedures on job security among retrenches and survivors

The findings indicated that a significant relationship exists between administration procedures used and job satisfaction $\chi^2(21, N=60) = 145, p = .000 < 0.05$). The study established that majority of the respondent acknowledged that reasons of retrenchment were communicated before retrenchment exercise begun. A significant relationship between early communications on the reasons for retrenchment on job security/satisfaction of staffs was established since early communication helps staffs understand retrenchment is inevitable and thus embrace retrenchment process. These findings support study by Makawatsakul and Kleiner (2003) who established that the role of management during retrenchment is very significant especially in preparing staffs embrace transition by early communication on the reasons for retrenchment. Another study with these finding was done by Burke and Nelson (1998) who argued that managers should be honest and open to their staff by communicating all information in timely manner to avoid rumors from speculating. Communication should be by physical contact rather than memos or emails.

The study established that sufficient notice was given to retrenches that included compensation package even though the compensation amount was not explained prior retrenchment exercise. This was important to ensure fear for retrenchment was overcome by compensation and helping staffs understand management recognizes their efforts in achieving organizational goals. Results from Chi-square tests indicate that sufficient notice and use of compensation package increases job security of retained staffs and helps retrenches feel embraced. Similar results by Burke and Nelson (1998) established that whenever employer wants to retrench their staff, a sufficient advance notice should be granted by communicating all the information clearly and in a fashionable way to prevent rumors that is likely to circulate. Lack of sufficient notice makes employees become negative and hostile to a point they may turn un-loyal, unproductive and unhappy. Also, Makawatsakul and Kleiner (2003) pointed that management should ensure ample retrenchment ensure that workers are well prepared to ensure that the transition is as easy as possible.

It was established that retrenched staffs were given certificate of service and recommendations letters. Also, psychological training was done to all staff during transition to help cope with retrenchment exercise. These improved job security among retrenches and retained staffs. South Africa Department of Labor (2008) argues that issuing certificate of service and enough notice for staffs living in the organization premise is important as part of retrenchment management. Makawatsakul and Kleiner (2003) also suggested writing of recommendation letters to all retrenches that would serve as introductory letters to prospective employers. Also, it's important that administration should offer programs that train retrenches on wide range of knowledge making them at edge to prospective employers. Munjuri (2011) argues that management should offer transition management and counseling training to enable all staffs deal with employees deal with stress.

5.1.2 Effect of support programs on job security among survivors and retrenches

The findings indicated that a significant relationship exists between support programs used at ActionAid and job satisfaction $\chi^2(21, N=60) = 160, p = .000 < 0.05$). It was established that among the support programs used included: counseling programs, career plan seminars, financial training and financial compensation. However, during retrenchment at ActionAid most retrenches and survivors indicated that even though financial compensation was provided to outgoing staffs, counseling programs were not offered, no career plan seminars were held for outgoing staffs, no prepared resumes were issues and no financial training was offered to those receiving financial compensation.

Studies supporting these findings by Charles (1974) points that to make retrenchment less painful to the retrenched there is need to ensure psychological effect and economic strain are minimized. This can be done through offering counseling programs to the retrenches and retained staffs and offering financial constraints. Munjuri (2011) also pointed that support programs such as holding career plan seminars, financial planning and information on social security would be effective in helping employees handle retrenchment. NSW (2010) also pointed support programs such as skills training programs can help retrenches gain higher levels of skills that would help them become competitive in the job market.

5.1.3 Effect of selection criteria procedures on job security among survivors and retrenches

The findings indicated that a significant relationship exists between selection criteria used and job satisfaction $\chi^2(18, N=60) = 90, p = .000 < 0.05$). The selection criteria used at ActionAid included skills and qualification that was perceived to be a major factor consideration, employee's productivity and FIFO. Disciplinary records, last in first out, failure to perform assigned duties and high salaries least influences selection criteria. Similar findings by Lewis (1992) shown that employees with particular skills and qualifications or good records are considered to be retained. On contrary, Janse (2002)

proposes LIFO (Last in First out) such that employees who were recruited recently becomes the first to be laid to safeguard skills and experience of older staff and Munjuri (2011) survey in commercial banks in Kenya established that LIFO method unlike this study that has established FIFO is a major consideration for retrenchment. However Munjuri study supported employees' productivity and their general conduct for staffs to be retained. Depending on the nature of retrenchment the criteria applied must be fair and objectively applied to job insecurity.

5.1.4 Effect of communication channels on job security among survivors and retrenches

The findings indicated that a significant relationship exists between communication channels and job satisfaction $\chi^2(21, N=60) = 180, p = .000 < 0.05$). It was established that Actionaid had clear and open communication on the purpose of retrenchment. The dominant communication channels used was emails and face to face meeting with staffs, while the least communication channels used were memos. However, it was noticed that before official communications on the impending retrenchment, rumors had it causing a feeling of job insecurity and lowered productivity. Lack of open communication negatively affects staffs morale.

The results are in line with World Bank (2005) study that pointed that good communication strategy and clear communication closes gaps for rumors and misinformation which can literally affect staffs morale and productivity. Delay communication by management at Actionaid caused rumours and after implementing good communication strategy and clear communication channels retrenchment was successful as majority of the respondents referred Actionaid as a good employer. Study by Mohamed (2012) at Rift Valley Railways established that before retrenchment unclear communication caused rumours that resulted to low employees morale since employees felt that they should be involved on matters of retrenchment. Similarly in Telkom Kenya, Duncan, Sakwa and Kiriago (2013) study established that for retrenchment to be completed successfully early communication should be made to the employees to avoid demoralizing surviving employees. Harrison (2013) study also observed that grapevine

spreads faster than formal communication channels thus organization should use formals and informal communication avenues such as face-to-face meetings, memos and emails to communicate to all staffs.

5.1.5 Effect of retrenchment processes on job security of retrenches and retained employees

Finally, the study wanted to understand impact of the entire retrenchment process on job security of retained and retrenched staffs. The findings indicated that retrenchment process has significant influence on job security of retained and retrenched staffs $\chi^2(63, N=60) = 420, p = .000 < 0.05$). The retrenchment presented an environment of uncertainty, insecurity and fear especially as a result of rumours that preceded official communication, use of FIFO to select staff to retrench and not offering counseling programs. Due to weak management of retrenchment process staffs lost morale and job security. It can be concluded that indeed lack of correct administrative procedures, support programs, selection criteria procedures and communication channels influences job security of retained and retrenched staffs significantly. A study by Noer (1995) established that these negative effects can easily give birth to survivors' syndrome and it consistently seen through a range of staff attitudes and perceptions. Similar findings by Nyamberi and Kiriago (2013) in Telkom Kenya Limited pointed that retrenchment has both positive and negative effect on existing staff. On the negative effect, surviving employees' morale diminishes and is often traumatized at the work place; they feel like there is no job security and become less productive as they think of getting a job elsewhere. Similarly a study done by Okibo (2012) among retained civil servants in Kenya established that as a result of retrenchment, staff were left having a feeling of job insecurity, uncertainty and most remaining staff lost their morale and thus affecting service delivery

5.2 Conclusions

5.2.1 Effect of Administrative procedures on job security among retrenches and survivors

The study concludes that administrative procedures significantly influence job security among retrenches and survivors from Action-Aid. The study concludes that reasons of retrenchment should be communicated early and sufficient notice given to the retrenches. Even though agreed compensation amount is explained before retrenchment, it was identified that staffs are not involved in compensation negotiation. Management issues certificate of service to all outgoing staffs and psychological training is normally done to all staff during transition.

5.2.2 Effect of support programs on job security among survivors and retrenches

The study established that support programs has significant effect on job security among survivors and retrenches from Action-Aid. The study concludes that the only support program offered is financial compensation. Despite the financial compensation no financial training was offered to those receiving monetary compensation. Organizations rarely do counseling programs, career plan seminars held for outgoing staffs and prepared resumes to outgoing staffs.

5.2.3 Effect of selection criteria procedures on job security among survivors and retrenches

The study concludes that selection criteria procedures has significant influence on job security among survivors and retrenches from Action-Aid. The study concludes that skills and qualification is a major factor considered in selection of staff to retrench, followed by employees with poor productivity and First in First out/older employees. Disciplinary records, last in first out, failure to perform assigned duties and high salaries least influenced selection criteria.

5.2.4 Effect of retrenchment communication channels on job security among survivors and retrenches

The study also wanted to understand communication channels used by organization during staff's retrenchment process. It was identified there is always a clear communication on the purpose of retrenchment and open communications with feedback was allowed during retrenchment season. Among the official communication channels face to face meeting with management explaining the impending retrenchment is normally done and those being retrenchment receives official emails from the organization informing their selection among those being retrenchment. Also internal memos are used for communications to all staffs.

5.2.5 Effect of retrenchment processes on job security of retrenches and retained employees

Finally, the study wanted to understand impact of the entire retrenchment process on job security of retained and retrenched staffs. The study concludes that retrenchment presents environment of uncertainty, insecurity and fear especially as a result of rumours that preceded official communication, use of FIFO to select staff to retrench and not offering counseling programs. Due to weak management of retrenchment process staffs lost morale and job security. It can be concluded that indeed lack of correct administrative procedures, support programs, selection criteria procedures and communication channels influences job security of retained and retrenched staffs significantly.

5.3 Recommendations

5.3.1 Recommendation from the study

To ensure survivors feel secure and outgoing staffs are satisfied with the retrenchment process, the study recommends involvement of staffs during retrenchment process and early communication to avoid rumours. Sufficient notice should be granted to all outgoing staffs, compensation amount explained prior retrenchment exercise, certificate of service and recommendations letters issued to all retrenches and counselors involved during retrenchment exercise.

Apart from financial compensation, some support programs such as financial training, counseling programs, career plan seminars and how to prepare resumes should be offered to all outgoing staffs. This is likely to improve satisfaction and will affect job security positively.

This study does not recommend any selection criteria but holds that depending on the nature of retrenchment the criteria applied must be fair and objectively applied.

The study recommends clear communication on the purpose of retrenchment and open communications with feedback be allowed during retrenchment season. The study recommends face to face meeting, use of emails and memos to communicate impending retrenchment. Phone calls (unless conference calls) are not recommended since the first call may cause speculations and rumours among those who haven't been informed.

5.3.2 Recommendations for future study

The study recommends' future researchers should engage in comparative study between retrenches and survivors feedback on retrenchment processes on job security to note any differences on their feedback. As such: effect of retrenchment process on job security; a comparative study between retained and retrenches.

The study identified that retrenches still make positive comments about ActionAid despite undergoing retrenchment process. Future researcher may study reasons for holding positive comments of the organizations despite being retrenched.

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Appendix I: Introduction Letter

RE: REQUEST FOR DATA COLLECTION

I am an undergraduate student at Management University of Africa pursuing a degree course in Bachelor in leadership and management in partial fulfillment of the requirements of the stated degree course, I am contacting you to request for your participation in a research study that I am conducting for my dissertation. You have been purposively selected to participate in this research in your capacity as a staff that has knowledge on process of retrenchment that you once encountered or you witnessed colleagues being retrenched. The purpose of this study is to evaluate procedure and processes followed by organizations during employees' retrenchment among organizations in Nairobi.

You are required to participate by way of answering the questionnaire attached to the best of your knowledge. All the details you provide in the questionnaire shall be used solely for academic purposes and confidentiality shall be strictly adhered to. Furthermore, your name or identity is not required apart from the researcher's number, which is randomly assigned. Your participation is highly accepted.

Yours Sincerely,

Elizabeth Mwende Mwoka

BML/08/00180/02/2014

Appendix II: Research Questionnaire

Section A: Background Information

1. Gender

☐ Male

☐ Female

2. Age bracket

☐ 20-25

☐ 40-45

☐ 55-60

☐ 25-30

☐ 45-50

☐ <60

☐ 30-40

☐ 50-55

3. How long had you worked at Actionaid before the retrenchment

☐ 0-5 Years

☐ 15-20 Years

☐ More than 31

☐ 6-10 Years

☐ 21-25 Years

☐ 11-15 years

☐ 26-30 Years

4. Which type of job were you executing before retrenchment?

☐ Casual worker

☐ Contract

☐ Part Time

☐ Fulltime staff

Others specify

Section B: (Administrative Procedures) kindly indicate the level of agreement with below statement as they relate to your experience during retrenchment process. SD-Strongly Disagree, D-Disagree, N-Neutral, A-agree, SA- Strongly Agree.

| | SD | D | Neutral | A | SA |
|--|----|---|---------|---|----|
| Reason of retrenchment were communicated | | | | | |
| Sufficient notice was given to retrenches | | | | | |
| Compensation amount was explained before retrenchment | | | | | |
| Retrenched staff were given certificate for service | | | | | |
| Recommendation letters were issued to outgoing staffs | | | | | |
| Psychological training was done to all staff during transition | | | | | |

Section C: (Support program). Kindly indicate the level of agreement with below statement as they relate to your experience during retrenchment process. SD-Strongly Disagree, D-Disagree, N-Neutral, A-agree, SA- Strongly Agree.

| | SD | D | Neutral | A | SA |
|--|----|---|---------|---|----|
| Counseling programs were offered to outgoing and retained staffs | | | | | |
| Career plan seminars were offered | | | | | |
| Financial training was offered | | | | | |
| Monetary hand shake was offered to outgoing staffs | | | | | |
| Well prepared resumes were issued | | | | | |

Section D: (Selection Criteria). To what extent do you think below issues influenced retrenchment?

| | Not at all | To a Less Extent | To a Moderate Extent | To a Great Extent | To a Very Great Extent |
|--------------------------|------------|------------------|----------------------|-------------------|------------------------|
| Skills and qualification | | | | | |
| Disciplinary record | | | | | |
| Older employees | | | | | |

| | | | | | |
|------------------------------------|--|--|--|--|--|
| Employees' productivity | | | | | |
| Newer employees | | | | | |
| Failure to perform assigned duties | | | | | |
| Those with high salaries | | | | | |

Section E: (Communication channels). Kindly indicate the level of agreement with below statement as they relate to your experience during retrenchment process. SD-Strongly Disagree, D-Disagree, N-Neutral, A-agree, SA- Strongly Agree

| | SD | D | Neutral | A | SA |
|--|----|---|---------|---|----|
| Purpose for retrenchment was communicated clearly | | | | | |
| There were rumors about retrenchment before information was relayed | | | | | |
| Memos reported impending retrenchment | | | | | |
| Management sent emails to staffs to communicate retrenchment | | | | | |
| Management held face to face meeting with staffs to discuss retrenchment | | | | | |
| Open communication with feedback was allowed during retrenchment season | | | | | |

Section F: (Job security). Kindly indicate the level of agreement/disagreement with below statements as they relate to your experience during retrenchment process. SD-Strongly Disagree, D-Disagree, N-Neutral, A-agree, SA- Strongly Agree

| After retrenchment; | SD | D | Neutral | A | SA |
|--|----|---|---------|---|----|
| I felt shocked, grieved, angry, embarrassment, disbelief and like it's a fantasy | | | | | |
| I felt presence of uncertainty, insecurity and fear during retrenchment season | | | | | |
| I feel job security was lost | | | | | |

| | | | | | |
|---|--|--|--|--|--|
| I make positive comments about ActionAid | | | | | |
| I lost my morale at work after retrenchment | | | | | |
| I fear retrenchment | | | | | |
| I Trust ActionAid as an employer | | | | | |
| As a survivor if I find another job I could quit working here | | | | | |